

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF Monday, January 24, 2011 MEETING

Board Members Present: John Rupp, Chair; Thomas Deller; Jerome Williams; Stephen Durkee; Michael Lewis; William Kennedy; Edward Field; and Rochelle Lee.

Also Present: Charles Odingbe, Chief Executive Officer; James Ruggieri (Outside Counsel); Andrew Prescott (Labor Counsel); Alfred Moscola; Henry Kinch; Maureen Neira; Mark Therrien; Ellen Mandly and other members of RIPTA's staff and members of the public whose names are on the sign-in sheet.

Agenda Item 1: Vote on December 20, 2010 Meeting Minutes

Mr. Rupp asked if the Board members had an opportunity to review the minutes of the meeting held December 20, 2010. The members indicated they had and Mr. Lewis made a motion to approve the minutes as presented and Mr. Field seconded the motion. The minutes of the meeting were unanimously approved.

Agenda Item 2: Chief Executive Officer's Report

Mr. Rupp asked Charles Odimgbe to give his Chief Executive Officer's report to the Board. Mr. Odimgbe began his report by handing out the minutes from the first E-Team meeting. He said the Board could expect to get additional minutes from future meetings in order to give them insight into staff's activities on a daily basis. He said he welcomes their feedback on same. He remarked that following his CEO report Maureen Neira would provide information regarding actions taken to end the year with a balanced budget. He added that the revised ATMS timeline was in the Board package and if there are questions Paul LaFlamme is prepared to respond.

Mr. Odimgbe recognized Amy Pettine from the Planning Department and announced that she had been recognized by Providence Monthly Magazine in an annual list of ten rising stars to watch in the business community. He congratulated Ms. Pettine and said it is a privilege to be associated with her and that she distinguishes herself in every project she undertakes for the Authority.

The CEO expressed his thanks to all employees who worked to help keep the buses rolling and information flowing to the public during the snow storms. He said he is very thankful for their efforts and happy that everyone pitched in to help.

Next he discussed an email complaint he received from a rider titled "RIPTA not up to Par" and said he was able to personally contact the rider Mr. Sypniewski regarding his email complaint in order to get a a

better understanding of the challenges he encountered with our service. After speaking to both Mr. Sypniewski and the lead RIPTA supervisor, it was evident that this was a case of a wrong assumption on the part of the passenger. Although his efforts at explaining the situation to Mr. Sypniewski did not go well; he did invite Mr. Sypniewski to speak directly to the supervisors at their next meeting to express his dissatisfaction with the way they provide information to the public.

Mr. Odimgbe said work continues on Key Performance Indicators and when they are fully developed they will be presented to the Board for their feedback.

Ms. Neira addressed the Board to discuss the one page document called FY 2011 budget estimate included in the board package. She began by saying we are running in the positive with a projected budget actual of \$813,420 based on the November 2010 financials. She said fuel is currently optimistically budgeted at \$2.60 versus last year's lock in price of \$2.36 and for the first six months of the year the fuel average is \$2.60, although the current price has jumped from \$2.84 to about \$3.07 in a day and for every ten cents over budget it costs the Authority an additional \$135,000. Based on the foregoing at this point we will likely come up about \$400,000 short for the year. The current lock in price is too high at \$3.20.

Ms. Neira said the interest arbitration award of December 10th

prompted her to do cost estimates on same and determined the retroactive award would cost us about \$1.2 million. The original FY 2011 budget did not include wage increases, only progressions for all employees including non-represented, and the arbitration award has now been added meaning we will exceed our previous budget for FY 2011. IN order to address the overage Mr. Odimgbe asked that each department look at their expenditures and put together a 1% reduction plan. The next item on the one-page document is an \$891,394 reduction achieved by that reduction, just shy of the 1%. Assuming things remain the same, she believes we will break even for the year and she read the assumptions listed on the sheet which need to occur to achieve this. She noted that overtime due to snowstorms is an issue.

Ms. Neira answered questions relative to healthcare claims and trends and the early retirement and reinsurance program that came out of the national healthcare reform.

Next the Board and staff held another discussion regarding fuel and potential lock in costs and scenarios and statistics regarding the annual rise and fall in fuel costs and supply and demand vis a vis foreign consumption. Mr. Odimgbe said he would look into pooling our resources to purchase fuel with other transits in the region. He added that current lock in prices are too high to consider. Mr. Rupp proposed giving the CEO authority today to lock in a fuel price until the end of the year if he considered it a good move between now and

the February meeting. Mr. Deller noted there was no notice on the agenda to make such a decision but the Board could authorize the CEO and then ratify it at a later meeting.

Mr. Odimgbe said he would take a very critical look at the fuel situation and attempt to predict how we will end the year. His goal is to end the year with a balanced budget and he will determine if locking in a fuel price and adjusting internally will achieve this. The Board members suggested keeping the newer most fuel efficient buses on the road. Mr. Odimgbe said there is an internal maintenance challenge to make pullout every morning because we don't have enough buses. He said that all the new buses we purchased will not be in service until March.

Mr. Field said we seemingly hire many consultants which he is generally against, but fuel is always a major concern and cause for discussion and since it has such a big impact on our budget we may want to consider using one to assist.

Mr. Odimgbe said the approach to fuel is simple, if the Board's goal is to have predictability you lock in a fuel price. If the Board is concerned with spending the least amount possible, you may decide to gamble. He said it's rare that you catch the fuel suppliers unawares because they employ the experts.

Mr. Odimgbe finished the budget and fuel discussion by

complimenting Ms. Neira and staff on their hard work bringing the \$1.2 million deficit down to about \$400,000.

Next Mr. Odimgbe noted his work with consultant Peter Schauer regarding re-engineering RIPTA. This work is part of Mr. Schauer's current contract with the RIPTA Planning department and the Board will be fully briefed in executive session on some of his findings and a proposed course of action, some immediate and some to be implemented in future phases.

Mr. Odimgbe said that since arriving at RIPTA he has met with bus operators for the Ride and Paratransit groups, and with all Street Supervisors. He has also toured the bus maintenance areas, inventory rooms, bus wash, and bus bays. He stated his intention to continue these meetings and interactions with staff in an effort to get everyone onboard and ready for the re-engineering program. He believes the meetings have been very well received by the majority of staff members and they have been very informative for him. He is hopeful that staff will embrace the change.

Finally, the CEO reported that he had met with members from the Coalition for Transportation Choices (CTC) the previous week and was impressed with the group's initiatives and amazed at what great allies they are for RIPTA specifically and transportation in general. He said we are very lucky to be affiliated with the CTC.

Agenda Item 3: Strategic Planning Committee Report

Agenda Item 4: RIPTA Strategic Plan

Thomas Deller addressed the Board to give a report of the Strategic Planning Committee meeting held Thursday, January 13, 2011 and said that at the meeting the Committee determined they were comfortable with the plan and it was ready to be presented to the full Board for consideration and adoption. He asked Mr. Therrien and Ms. Pettine to give a highlight.

Amy Pettine addressed the Board saying the iteration before the Board today is the third and final draft of the 5-year strategic plan along with an executive summary which highlights the five main goals. She described the nine outreach meetings held around the state since early fall where staff vetted the plan and received comments. The comments received at the outreach meetings and RIPTA's website was incorporated into the plan.

Ms. Pettine noted that as the executive summary shows we are trying to accomplish three main things – first and foremost and advocacy pool for funding for RIPTA and its partners, a PR tool for the public to make them aware of key ongoing and future projects and an outreach and a management tool to steer and assist staff and help us prioritize and develop performance measures. She said that Mr. Odimgbe has been very supportive of the process.

She finished by saying that we're accomplishing a lot with this plan and the next step at the February Committee meeting is to discuss the marketing of the plan and how we will distribute and share it with the public and legislators and how to implement.

Ms. Pettine answered questions from Ms. Lee regarding certain wording contained in the plan and the process taken to get the plan to the final draft before the Board today. Mr. Deller remarked that approval of the plan today is a big step toward giving the legislature a clear picture of how RIPTA will proceed since having been designated the State's mobility manager. He said the Committee spent a lot of time on the document and this 5-year plan is a good first step and a framework around which RIPTA can grow.

Mr. Rupp voiced support for the plan but wants targets of where we will be in a year or two. Mr. Odimgbe said there will be targets and that this document illustrates where we are headed and now we must take the plan and put it into action. He and staff will be coming back to the Board with specific plans on how to implement the strategic plan while always keeping the needs of the riders at the forefront.

Mr. Williams said the plan is a great blueprint but nothing can be done without the proper funding stream. He said he will look to Mr. Odimgbe and staff to develop a plan of how to move from where we are today to get the funding to support the plan. Mr. Lewis agreed with his comments. Mr. Durkee added that a lot of marketing is

needed so our funders can see and absorb the plan. Mr. Kennedy complimented staff on their hard work in developing the plan and agreed that without funding, we can't move ahead. He said we need an additional form of funding besides the gas tax. Mr. Rupp stated that internal budget management is the first step and we also need to reform our human services transportation area.

Mr. Field said the Strategic Planning Committee will next look at the funding of the plan and come back to the full Board with alternatives for new financing and funding.

Ms. Lee asked that the plan be translated into other languages and be made accessible for the vision impaired.

Mr. Odingbe agreed that we need to develop sustainable and growing revenue to keep pace with our escalating costs. He said once we do what needs to be done internally, he believes the funding can found.

Following this discussion Mr. Lewis made a motion to approve the plan as presented with Ms. Lee's wording changes and suggestions incorporated into the executive summary. Mr. Kennedy seconded the motion. The RIPTA Strategic Plan was unanimously approved.

Agenda Item 5: Core Connector Update

Amy Pettine and Mark Therrien gave an update on the Core

Connector study and more specifically the route selection process. She said we are at roughly the mid-point in the study which entails selecting the route on which to do an alternatives analysis and environmental review. This will get us to the end result which is a locally preferred alternative. She then described some of the alternatives under consideration.

She said that much like the strategic plan, they have been out doing public vetting of the core connector plan and she gave the details of the organizations and individuals involved in that process. They sought feedback from major institutions that will likely have a hand in the financial planning aspect of this route such as Women & Infants Hospital, Rhode Island Hospital, and the major colleges like Brown, Johnson & Wales and the University of Rhode Island. Ms. Pettine said more input is needed from stakeholders in the upper South Providence neighborhood.

She said the intent of the core connector initiative is the same as in the Metro Transit study: to connect the major employers in a 2-mile corridor with the greater downtown Providence area, such as the jewelry district, the colleges and hospitals, etc. Service to the train station was considered but it was determined that College Hill is a better all day generator of ridership, however intermodal infrastructure will be built in and deviations allowed in the future as trains service expands in the State.

Ms. Pettine said she and staff welcome the Board's feedback. She then discussed the thirteen evaluation criteria that they used and she asked for comments.

Ms. Pettine and Mr. Therrien answered questions about the continued use of Kennedy Plaza and the possibility of running fewer buses through Kennedy Plaza and housing buses in other areas. Ms. Pettine and Mr. Therrien said that in phase II of the study a two acre site for a maintenance facility will be studied along with other options. Mr. Deller discussed the streetcar aspect vis a vis their use in promoting economic development.

Ms. Pettine completed the core connector update by saying that final stakeholder meetings are currently underway.

Agenda Item 6: IFB 11-17 Genuine Cummins Mid-Range Engine Parts

Mr. Mencarini addressed the Board to discuss the details of the staff summary for Genuine Cummins Mid-Range Engine parts. He briefly outlined the details of the procurement as noted in the staff summary saying the parts specified in the bid are for Cummins engines utilized in the Chance Trolleys, New Flyer, Gillig buses and trolleys. The estimated annual cost of this contract is \$250,000.

Mr. Deller moved for approval of the award of the contract to

Cummins Northeast Inc. of Dedham, MA to supply and deliver Cummins Mid-Range Engine Parts as recommended by staff. Mr. Williams seconded the motion and it passed unanimously.

Agenda Item 8: Public Comment

Mr. Rupp moved ahead in the agenda and asked for public comment and recognized

Molly Clark from the Lung Association and CTC who stressed the importance of keeping bus stops and shelters clear of snow during snowstorms. A brief discussion of who has responsibility within the state for keeping various thoroughfares free of snow ensued.

Next Mr. Rupp recognized Jim Celenza of the CTC who said if the Board or anyone else had questions regarding CTC's initiatives or his comments at last month's meeting to call him and he would be happy to discuss and clarify.

Next Marjorie Rogers spoke and asked that snow be cleared near St. Elizabeth's.

Finally Anna Liebenow from the ATAC group commented that she too is concerned with the snow being cleared in front of bus stops and on sidewalks. She added that she is pleased to see such good collaboration between RIPTA and the CTC. She likes the idea of businesses taking ownership of certain stops. Mr. Therrien

commented that Lamar Advertising owns the shelters and should be contacted and asked to work harder at keeping the shelters clear of snow.

Mr. Rupp called for a five minute break and upon reconvening moved on to the next agenda item.

Agenda Item 7: Executive Session Pursuant to RIGL 42-46-5(a)(2) to Discuss Collective Bargaining and RIGL 42-46-5(a)(1) for Discussions and/or Action Relating to the Job Performance Character or Physical or Mental Health of a Person

Mr. Deller made a motion to convene an executive session as noticed on the agenda under RIGL 42-46-5(a)(2) to discuss collective bargaining and potential litigation matters. Mr. Lewis seconded the motion to convene an executive session and a roll call vote was taken. The motion to convene to executive session under RIGL 42-46-5(a)(2) passed unanimously.

Following the Board's return to open session Mr. Deller made a motion to seal the minutes of the executive session. Ms. Lee seconded the motion, and it passed unanimously.

Agenda Item 9: Adjournment

A motion to adjourn the meeting was made by Mr. Deller. Ms. Lee

seconded the motion and it was unanimously approved and the meeting was adjourned.

Respectfully submitted,

Ellen M. Mandly

Recording Secretary